



# NEWS RELEASE

CALIFORNIA STATE TREASURER PHILIP ANGELIDES

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## **New Investment Option for ScholarShare** *More Choices, Greater Flexibility*

**Sacramento, CA (February 4, 2002)** – ScholarShare, California's state-sponsored 529 program for families saving for their children's college education, today announced the addition of a new Aggressive Age Based Asset Allocation investment option.

The Aggressive Age Based Asset Allocation, the fifth investment option in the ScholarShare program, is an investment strategy that changes the investment mix between equities, bonds, and money market instruments depending on the child's age.

State Treasurer Philip Angelides launched ScholarShare in October 1999 to help California families save for the cost of higher education. "This new option provides families the choice to seek higher rates of return with only a modest increase in long-term risk," said Mr. Angelides. "ScholarShare now gives families even greater flexibility when saving for college."

With the Aggressive Age Based Asset Allocation option, when a child is young, more of the investments are in the equity markets. As the child gets older, those investments are shifted among other investments including bonds and money market instruments to preserve capital as the child approaches college age (see Chart 1). It is similar to the Age Based Asset Allocation, which has a more conservative investment approach with less long-term exposure to equity markets (see Chart 2).

There are three investment options in addition to the Aggressive Age Based Allocation and the Age Based Allocation options: 100% Equity Option where contributions are allocated between domestic and international equity funds; 100% Social Choice Equity Option where contributions are invested in equities from companies not involved with tobacco, alcohol, weapons and gambling; and the Guaranteed Option that guarantees at least a three percent return on principal. Except for the Guaranteed Option, returns will fluctuate and are not guaranteed.

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ScholarShare funds can be used at most public and private colleges, universities and some accredited professional and trade schools in California, the United States, and some overseas schools. Funds can be used for tuition, certain room and board expenses, books and required fees and supplies.

ScholarShare funds are managed by TIAA-CREF, a leading national financial services company with over \$270 billion in assets under management.

For more information on ScholarShare, visit the Web site at [www.scholarshare.com](http://www.scholarshare.com), or call toll-free 1-877-728-4338.

For more information about the Golden State ScholarShare College Savings Trust, you must consult the Disclosure Booklet. Accounts representing interests in the Trust are offered only through the Participation Agreement and the Disclosure Booklet, which describes the program. Neither contributions nor investment returns in ScholarShare Account are guaranteed (except with respect to contributions to the Guaranteed Option). Investment results will vary based on market performance and the value of your investment can go up or down. Also, there is no guarantee or assurance that your investment objectives will be met.

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## CHART 1

### Asset Allocation Percentages For Aggressive Age-Based Asset Allocation Option Effective January 1, 2002

Year of Birth <sup>1</sup>	Investment Horizon	Growth Equity	Growth and Income	Equity Index	International Equity	Bond Fund	Money Market Fund
2002 or 2003	21 years	16.0%	28.0%	36.0%	20%	0%	0%
2000 or 2001	19 years	15.2%	26.6%	34.2%	19%	5%	0%
1998 or 1999	17 years	13.6%	23.8%	30.6%	17%	15%	0%
1996 or 1997	15 years	12.8%	22.4%	28.8%	16%	20%	0%
1994 or 1995	13 years	12.0%	21.0%	27.0%	15%	25%	0%
1992 or 1993	11 years	11.2%	19.6%	25.2%	14%	30%	0%
1990 or 1991	9 years	9.6%	16.8%	21.6%	12%	40%	0%
1988 or 1989	7 years	8.0%	14.0%	18.0%	10%	50%	0%
1986 or 1987	5 years	7.2%	12.6%	16.2%	9%	55%	0%
1984 or 1985	3 years	6.4%	11.2%	14.4%	8%	60%	0%
Pre-1984	1 year	4.8%	8.4%	10.8%	6%	60%	10%

<sup>1</sup> Allocation guidelines will be established as required for Beneficiaries born after the year 2003.

## CHART 2

### Asset Allocation Percentages For Age-Based Asset Allocation Option Effective January 1, 2002

Year of Birth <sup>1</sup>	Investment Horizon	Growth Equity	Growth and Income	Equity Index	International Equity	Bond Fund	Money Market Fund
2002 or 2003	21 years	12.8%	22.4%	28.8%	16%	20%	0%
2000 or 2001	19 years	12.0%	21.0%	27.0%	15%	25%	0%
1998 or 1999	17 years	11.2%	19.6%	25.2%	14%	30%	0%
1996 or 1997	15 years	9.6%	16.8%	21.6%	12%	40%	0%
1994 or 1995	13 years	8.0%	14.0%	18.0%	10%	50%	0%
1992 or 1993	11 years	7.2%	12.6%	16.2%	9%	55%	0%
1990 or 1991	9 years	6.4%	11.2%	14.4%	8%	60%	0%
1988 or 1989	7 years	4.8%	8.4%	10.8%	6%	60%	10%
1986 or 1987	5 years	4.0%	7.0%	9.0%	5%	45%	30%
1984 or 1985	3 years	3.2%	5.6%	7.2%	4%	30%	50%
Pre-1984	1 year	3.2%	5.6%	7.2%	4%	30%	50%

<sup>1</sup> Allocation guidelines will be established as required for Beneficiaries born after the year 2003.